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U.S. Supreme Court, U.S.

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IN THE
Supreme Court of the United States

October Term, 1944.

No. 469

SPECIAL EQUIPMENT COMPANY,

Appellant,

vs.

CONWAY P. COE, COMMISSIONER OF PATENTS,

Appellee.

**PETITION FOR WRIT OF CERTIORARI AND
SUPPORTING BRIEF.**

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CLARENCE J. LOFTUS,
BALLARD MOORE,
CURTIS P. PRANGLEY,
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F.

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CONWAY P. COE, COMMISSIONER OF PATENTS,

Appellee.

**PETITION FOR WRIT OF CERTIORARI AND
SUPPORTING BRIEF.**

*To the Honorable, the Chief Justice and the Associate
Justices of the Supreme Court of the United States:*

Your petitioner, the Special Equipment Company, prays that a writ of certiorari issue to review the decision of the United States Court of Appeals, District of Columbia, entered herein June 19, 1944 (R. 142), reported in 62 U. S. P. Q. 12, July 1, 1944.

Petition for rehearing duly presented, denied July 18th, 1944 (R. 163).

Certified transcript of the record, including the proceedings in the Court of Appeals is furnished herewith in compliance with Rule 38 of this Court.

I.

Jurisdiction.

(a) Federal jurisdiction of the courts below existed under the patent laws (Sec. 4915) of the United States.

(b) The jurisdiction of this Court is invoked under Sec. 240 of the Judicial Code as amended by Act of Congress February 13, 1925, 43 Stat. 938; U. S. P. C. A., Tit. 28, Sec. 347 (a).

II.

Question Presented.

The question, which involves the construction of the Constitution and patent laws enacted pursuant to the Constitution, is:

Whether, as the Court of Appeals of the District of Columbia held, a patentable subcombination claim, proper as to form, embracing patentable novelty admittedly covering a mechanical combination of tremendous value and extensively used commercially with other things, should be refused solely because the Court concluded there was *lack of intention* by the owner to use the claimed structure *alone*. More briefly stated, whether *lack of intention* to use a subcombination *per se* is a bar to the grant of a patent claim upon a mechanical device otherwise admittedly patentable and allowable, and also, if lack of intention to commercially use a claim *per se* is a bar, can a Court, *properly* so conclude, when the record admittedly shows that the inventor or his assigns have extensively used commercially the

claimed structure with additional means and where the owner contends that there is an intention to commercially use the claimed structure *per se* when thought advisable and when the evidence admittedly shows such use *per se* was successfully demonstrated and the Court so found.

III.

Summary and Short Statement of the Matters Involved.

Petitioner's inventor Ewald conceived and disclosed a broadly new and novel machine adapted for use in preparing pears as they come from the tree, for canning, and thereafter, on October 6, 1932, duly filed application Serial No. 636,447 for a patent thereon in full compliance with the law in such cases made and provided.

So far as the broad invention is concerned, the Ewald application disclosed patentable novel means for *peeling, coring and bobbing pears* which can and were, as shown by the record, successfully used with or without means in the machine for splitting the pear. In other words, the pear may be split by hand and fed to the machine pre-split. However, petitioner's current commercial machine included splitting knives.

No patent has yet issued on any part of the invention claimed in this application, but claims have been found allowable by the Patent Office on the *entire* combination which *included the splitting knives*.

Other definite claims (R. 5-7), generally referred to as subcombination claims, directed to Ewald's novel machine for *bobbing, peeling and coring* the pears, *not* including the splitting knives or means for splitting the pear in the machine were duly presented to the Patent Office in the same application. The claims thus presented which did not include the splitting knives were rejected by the Patent Office tribunals.

Suit was duly brought in the District Court of Columbia under Section 4915 of the Revised Statutes by petitioner against the Commissioner of Patents, asking for a decree (a) adjudging that petitioner was entitled to receive a patent including those claims and (b) directing the Commissioner to allow said claims.

The District Court, on November 20, 1943, without an opinion, entered findings of fact (R. 9-10) to the effect that the subcombination claims themselves did not combine to produce any useful result and were incomplete and failed to point out plaintiff's invention as required by Section 4888 of the Revised Statutes, and conclusions of law to the effect that petitioner was not entitled to the claims and its bill should be dismissed. On or about December 14, 1943, the District Court entered a judgment dismissing petitioner's bill.

An appeal was duly taken and prosecuted through the Court of Appeals of the District of Columbia.

The appellate court found the claims in controversy were typical subcombination claims; that there was no lack of completeness or clarity in the claims in question; that they specifically pointed out what was claimed as an invention and it would not be difficult to construct the subcombination from the drawings; that the suggestion that the subcombination is inoperative when the pear is pre-split by hand is directly contrary to the evidence, particularly to the incontrovertible evidence of the motion picture displayed to the Court; that considered in the terms of the older practice in pear canning the Ewald machine without the inclusion of the splitting knife, namely, the subcombination machine standing *alone*, represented a *tremendous advance and an operation which would result in a great saving of manpower and of time* (R. 148). However, notwithstanding there was nothing in the prior art as shown by the record to anticipate or vitiate the patentable nov-

elty of these subcombination claims, it held that petitioner was not entitled to the claims in issue *solely* because it concluded that there was lack of intention to use the subcombination claims structure without the splitting knife, although the means covered by the subcombination claims were admittedly extensively used in machines which included a splitting *knife* and its successful operation without the splitting knife admittedly demonstrated (R. 16, 148).

IV.

Reasons for Granting the Writ.

1. The decision of the Court of Appeals of the District of Columbia is in direct conflict with and contrary to the Constitution and the patent statutes enacted pursuant thereto and the uniform decisions of this and all other United States courts.

2. The decision of the Court of Appeals denies a patent claim in a proceeding under Section 4915 of the Revised Statutes (35 U. S. C. A. 63, as amended) solely because the court concluded there was lack of intention to use, grounds never before recognized by any court, notwithstanding the record admittedly and uncontrovertibly shows the extensive use of the claimed invention in commercial machines with other means.

3. The decision denies a patent claim unless there is a showing that the applicant or his assigns intend to use the claimed structure *alone*.

4. The decision of the Court of Appeals created and applied a bar—lack of intention to use—to the grant of a patent claim which is contrary to all prior decisions of this and other courts and substantially impairs our patent system, the basis of our industrial civilization. Therefore,

there is here a question of *tremendous public importance*, not only throughout this land, but all foreign countries accorded reciprocatory privileges regarding patents here.

5. It created and applied for the first time a new legal bar to the grant of a patent claim in direct conflict with the Constitution, the Statutes, and the decisions of this court (*Paper Bag Patent Case*, 210 U. S. 405) and other courts.

6. The Court of Appeals decided an important federal question in direct conflict with the applicable decisions of this Court.

7. The Court of Appeals decided a question of great general importance and a question of substance relating to the construction and application of the Constitution and Statutes of the United States contrary to and without giving proper effect to applicable decisions of this Court.

8. The decision of the lower court is in direct conflict with the decisions of this court (*Philadelphia, Wilmington and Baltimore Railroad Company v. John Dubois*, 12 Wall. 47; 79 U. S. 265) and other courts throughout the land and the well established rule of law, since the inception of the patent system, that a patentee may obtain in one patent, claims for the entire combination and for such parts of the combination as are new and useful.

WHEREFORE, Your petitioner respectfully prays that a writ of certiorari be issued out of and under the seal of this Honorable Court directed to the United States Court of Appeals for the District of Columbia to certify and send to this Court for determination on a day certain to be therein named, a full and complete transcript of the record and all proceedings in the case to the end that the said judgment of the Court of Appeals for the District of Co-

lumbia be reviewed and determined by this Honorable Court; and that your petitioner may have such other and further relief in the premises as to this Honorable Court may seem meet and just.

CLARENCE J. LOFTUS,
BALLARD MOORE,
CURTIS F. PRANGLEY,
JAMES M. GRAVES,
Counsel for Petitioner.

Dated: September 1st, 1944

BRIEF IN SUPPORT OF PETITION FOR WRIT OF CERTIORARI.

Opinions of Courts Below.

No opinion was rendered by the District Court. The opinion of the Court of Appeals for the District of Columbia is at page 142 of the Record. It is reported at 62 U. S. P. Q. 12, July 1, 1944.

Jurisdiction.

The petition sets forth on page 1 the grounds on which jurisdiction is invoked.

A Statement of the Case and Questions Involved.

The petition sets forth on pages 2 to 7 a statement of the questions involved in this case as well as a brief summary of the material facts necessary to an understanding and the reasons relied upon for the allowance of the writ. The facts are somewhat enlarged upon in the ensuing argument.

Specification of Errors.

The Court of Appeals for the District of Columbia erred:

1. In not adjudging and decreeing that petitioner was entitled, according to law, to receive a patent for the invention specified in the claims in question, namely, claims 38, 39, 41 and 44, set forth in Schedule A attached to the bill of complaint, and in not directing the Commissioner of Patents to allow said claims.

2. In holding that plaintiff petitioner be denied said claims on the sole ground of lack of intention to use the claimed structures called for in said claims without other means.

3. In disregarding the well established rule of law of this court that a patent may be granted on an entire combination and/or for such parts or subcombinations as are new and useful.

4. In holding, contrary to the Constitution and Statutes of the United States and the decisions of this Court, that non-use or no intention to use is a bar to a patent claim otherwise allowable.

5. If lack of intention to use was material and a bar, in concluding that there was lack of intention notwithstanding the record uncontrovertibly shows extensive commercial use of the structures covered by the subcombination claims in connection with other things and the successful demonstration of the subcombination claim structures *per se*.

Summary of Argument.

The argument is summarized in the foregoing petition and in the following:

ARGUMENT.

I.**Statement.**

Petitioner's inventor Ewald conceived and disclosed a highly new and novel machine for *bobbing, peeling and coring* pears.

The general custom before the Ewald machine came into being was to first have the pears peeled by one group of workers, then they were passed to a second group where they were bobbed and split, and then passed to a third group where they were stemmed and cored, after which the pears were ready for canning.

So far as Ewald's broad invention is concerned, namely, a novel machine for *bobbing, peeling and coring* pears, it can be used successfully, as the evidence clearly shows, and the Court of Appeals so found, with or without the splitting knives, in other words, the pears may be split by hand and fed to the machine pre-split.

In the Ewald application here involved the Patent Office tribunals found claims drawn to the *entire* machine, which included the splitting knives, allowable.

By this proceeding petitioner is seeking additional claims on the novel features of the Ewald machine for *bobbing, peeling and coring* the pears which do not include the splitting knives. It is elementary and has been the uniform established rule almost since the inception of the patent system that a patentee is entitled, in one patent, to claims not only on the entire machine but on novel parts or subcombinations thereof.

We doubt if one single decision can be found in this country to the contrary.

The Court of Appeals found that the claims in controversy were typical subcombination claims, that there was no lack of completeness or clarity, that they pointed out what is claimed as the invention, that the structure of the subcombination claims was operative, and that the subcombination machine standing alone represented a tremendous advance and an operation which would result in great saving of manpower and of time, etc. However, for the first time in this country it created and applied a new legal bar to the grant of a patent claim, namely, lack of intention to use.

II.

Patents Do Not Grant the Right to Make, to Sell or to Use, But Only to EXCLUDE Others from Making, Selling or Using the Claimed Invention. Therefore, Courts Uniformly Hold That Lack of Use, Even When Intentional, Is Not a Bar to a Valid Patent Claim.

The Constitution is the foundation of the patent statutes; the patent system is the foundation of our entire industrial civilization. Therefore, when we come to deal with a decision which substantially impairs the patent system, as does the decision of the Court of Appeals below, we are considering a question of *great public importance*.

Now while the court below in effect found that the inventor Ewald made an invention of tremendous value, that the claims in issue were proper in all respects and allowable, it denied the grant of such claims solely because it concluded there was lack of intention to use, thus creating and applying for the first time a new bar to the grant of a patent claim.

The decision creating this bar is in direct conflict with the Constitution, the Patent Statutes, and the decisions of this and all subordinate courts as we will proceed to show.

Neither under the Constitution nor the Patent Statutes, as uniformly interpreted by this and other courts, does the patentee acquire the right to make, sell or use, but he acquires only the right to *exclude* others from making, selling or using his claimed invention.

This court (opinion of Chief Justice Stone) said in March, 1940 in *Ethyl Gasoline Corp. v. U. S.*, 309 U. S. 436, at page 456:

"The patent law confers on the patentee a limited monopoly, the right or power to exclude all others from manufacturing, using, or selling his invention. R. S. 4884, 35 U. S. C., Sec. 40."

In *U. S. v. Winslow*, 227 U. S. 202, at page 217 the Court (opinion of Mr. Justice Holmes) said:

"The machines are patented, * * * the exclusion of competitors from using them is of the very essence of the right conferred by the patents, *Paper Bag Patent Case*, 210 U. S. 405."

In *United Shoe Machinery Corp. et al. v. U. S.*, 258 U. S. 451, this court (opinion by Mr. Justice Day) said, at page 463:

"From an early day it has been held by this court that the franchise secured by a patent consists only in the right to exclude others from making, using, or vending the thing patented without the permission of the patentee. *Bloomer v. McQuewan*, 14 How. 539. This definition of the rights of the patentee has been the subject of frequent recent decisions of this court, and has been approved and applied" (citing cases).

See also: *Motion Picture Patents Co. v. Universal Film Mfg. Co. et al.*, 243 U. S. 502; *Bauer & Cie v. O'Donnell*, 229 U. S. 1.

In *Herman v. Youngstown Car Mfg. Co.*, 191 Fed. 579, the Court of Appeals for the Sixth Circuit, speaking through the late Circuit Judge Dennison, said, page 584:

“A patent is not the grant of a right to make or use or sell. It does not, directly or indirectly, imply any such right. It grants only the right to *exclude* others. The supposition that a right to make is created by the patent grant is obviously inconsistent with the established distinctions between generic and specific patents, and with the well-known fact that a very considerable portion of the patents granted are in a field covered by a former relatively generic or basic patent, are tributary to such earlier patent, and cannot be practiced unless by license thereunder.”

In *U. S. v. Sanitary Mfg. Co.*, 191 Fed. 172, (Goff and Pritchard, Circuit Judges, and Rose, District Judge), the court, speaking through District Judge Rose, said, at page 190:

“A patent is a grant of a right to exclude all others from making, using, or selling the invention covered by it.”

See also: *Bird's-Eye Veneer Co. v. Franck-Philipson & Co.*, 259 Fed. 266, 269 (C. C. A.); *Swindell v. Youngstown Sheet & Tube Co.*, 230 Fed. 438 (C. C. A. 6).

Indeed, a line of decisions to the same effect by other courts could be cited to an extent quite unnecessary here.

This well established rule that a patent is merely the right to *exclude* is sound and based on reasoning. In fact, in nearly every patent suit where the courts have found infringement, the defendant had a patent on his particular form held to infringe, but this and other courts hold that infringement is not avoided by making additions or improvements nor because the defendant has a patent therefor (*Herman v. Youngstown Car Mfg. Co.*, 191 Fed. 579, 584 (C. C. A. 6); *Hobbs v. Beach*, 180 U. S. 383, 401; *Columbia Wire Co. v. Kokomo S. & W. Co.*, 143 Fed. 116,

124 (C. C. A. 7); *Ries, et al., v. Barth Mfg. Co.*, 136 Fed. 850, 853 (C. C. A. 7); *International Time Recording Co. v. Dey*, 142 Fed. 736 (C. C. A. 2); *Ryder, et al., v. Schlichter*, 126 Fed. 487 (C. C. A. 3).)

In the *Paper Bag Patent Case*, 210 U. S. 405, this court (opinion by Mr. Justice McKenna) held that an inventor receives from a patent the right to exclude others from its use for the time prescribed under the statutes and that such right was not dependent on his using the device or affected by his non-use thereof. In that case no use whatever was made of the claimed invention either *per se* or with other things and the non-use was intentional. In answering the argument of counsel there similar to the contentions made by the Court of Appeals in the present case that competitors would be excluded from the use of the claimed structure, the Supreme Court said, at page 429:

“We answer that such exclusion may be said to be the very essence of the right conferred by the patent, as it is the privilege of any owner of property to use or not use it, without question of motive.”

Therefore, we say that under the Constitution and Statutes as interpreted by this court, (1) a patent does not give any right to manufacture, to sell, or to use, but only the right to *exclude*. Thus lack of intention to use the structure of a subcombination claim, if established, cannot be a bar to the grant of a patent claim.

No one, we think, would contend that one entitled to receive money, should be legally denied payment because he intended to lock the money up in a vault and not use it, or denied the title to a farm, mine, oil well, automobile, jewelry or any other real or personal property because there was lack of intention to use such property *alone*. Then why should an inventor's property right, which Webster said in the *Goodyear Rubber Case*, “existed before the Constitution, above the Constitution, and is a natural right

more clear than that a man can assert in almost any other kind of property" be denied, even though there may exist lack of intention to use. A statement of the proposition seems to answer itself.

III.

Claims for an Entire Machine and Claims for Subcombinations or Parts Thereof Are Allowable and Should Be Allowed in the Same Patent.

This court held, in *Philadelphia, Wilmington and Baltimore R. R. Co. v. John DuBois*, 12 Wall. 47, 79 U. S. 265, that a patentee may obtain in one and the same patent, claims on the entire combination and also claims for such parts of the combination as are new and useful. That rule has always obtained and still obtains in this Court, in the Patent Office and in the federal courts throughout the land.

From the inception of the Patent system this Court and all other courts having jurisdiction have held valid and infringed patents which contained claims on the entire combination and on parts of the combination.

Robinson on Patents, Volume II, page 143, Sec. 528, a recognized authority, says:

"The specification of a combination may contain several different Claims. Besides the Claims for the combination as a whole, each of its elements and sub-combinations, if new and patentable inventions, may be also claimed, even where they are useless except as portions of the principal invention." Citing cases.

Walker on Patents, Deller Edition, Vol. II, Sec. 166, page 789, says:

"A part or a combination may be claimed separately, though it cannot do useful work separately from the residue of the machine or apparatus of which it constitutes a part." (Citing a long line of cases in the Supreme and other courts.)

Continuing, Walker says:

"Otherwise an infringer might take the most important part of an invention, and by changing the method of adopting it to its environment, might avoid any charge of infringement."

Walker also says, in the same edition, on page 1232:

"A claim may cover the entire process, machine, manufacture or composition of matter which is set forth in the description, or it may cover such parts or such sub-processes or such combinations as are new and useful inventions; and the specification may contain a claim for the whole, and other claims for separate parts, and still other claims for separate sub-processes or combinations." (Citing several decisions in this and other courts.)

It seems unnecessary to pursue this point for, after all, the Court of Appeals did not deny the claims because they were not proper subcombination claims or because subcombination claims could not be allowed in the same patent with claims on the entire combination.

IV.

The Court of Appeals' Conclusion of Lack of Intention to Use.

Instead of the record showing lack of intention to use, on the contrary, it uncontrovertibly shows an extensive commercial use of the structure covered by the subcombination claims in a machine with other things, namely, splitting knives. The evidence further established, as found by the Court of Appeals, that the subcombination structure *per se* without other things had been successfully operated during demonstrations and concerning which proof was offered at the trial and that such demonstrations showed the subcombinations *per se* were entirely operative and of tremendous value. In addition, the petition for rehearing shows (R. 156) that it is the intention of plaintiff petitioner

to use the subcombination structures *per se* whenever and wherever desirable, directly or through licensees.

It is crystal clear that the decision of the Court of Appeals for the District of Columbia is in direct conflict with the decisions of this and other courts involving a question of tremendous importance to the public and substantially impairs our patent system, the basis of our industrial civilization.

On the grounds set forth above, it is submitted that a writ of certiorari should be granted.

Respectfully submitted,

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Dated: September 1st, 1944.